

GOVERNMENT-WIDE FINANCIAL STATEMENTS

State of Indiana
Statement of Net Assets
June 30, 2004
(amounts expressed in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets:				
Current assets:				
Cash, cash equivalents and investments	\$ 3,609,805	\$ 1,535,650	\$ 5,145,455	\$ 1,090,380
Securities lending collateral	1,673,272	-	1,673,272	452,578
Receivables (net)	1,472,848	127,539	1,600,387	299,878
Intergovernmental receivable	127,278	-	127,278	-
Inventory	6,610	3,028	9,638	31,016
Prepaid expenses	5,058	2,753	7,811	12,255
Loans	87,237	41,038	128,275	5,520
Intergovernmental loans	-	-	-	1,180,140
Due from primary government	-	-	-	137,941
Investment in direct financing lease	-	10,445	10,445	-
Funds held in trust by others	-	-	-	66,139
Other current assets	-	-	-	23,700
Total current assets	6,982,108	1,720,453	8,702,561	3,299,547
Noncurrent assets:				
Cash, cash equivalents and investments - restricted	150,769	685,350	836,119	1,763,587
Taxes, interest, and penalties receivable	603,393	-	603,393	3,998
Other receivables	64,632	-	64,632	1,193,027
Investments - unrestricted	-	-	-	846,931
Loans	309,857	856,483	1,166,340	-
Bond issuance costs net of amortization	8,746	1,422	10,168	39,772
Intergovernmental loans	-	-	-	1,187,269
Due from primary government	-	-	-	1,496,287
Investment in direct financing lease	-	192,480	192,480	-
Net pension assets	164,254	-	164,254	-
Other noncurrent assets	23	11,568	11,591	13,954
Capital assets:				
Land	1,153,625	28,219	1,181,844	149,718
Infrastructure	7,517,416	184,562	7,701,978	229,984
Construction in progress	408,256	11,304	419,560	339,796
Property, plant, and equipment	2,547,239	140,062	2,687,301	5,952,512
Less accumulated depreciation	(965,683)	(88,413)	(1,054,096)	(2,722,677)
Total capital assets, net of depreciation	10,660,853	275,734	10,936,587	3,949,333
Total noncurrent assets	11,962,527	2,023,037	13,985,564	10,494,158
Total assets	18,944,635	3,743,490	22,688,125	13,793,705
Liabilities:				
Current liabilities:				
Accounts payable	315,781	25,053	340,834	217,453
Claims payable	-	1,889	1,889	-
Interest payable	24,919	29,640	54,559	53,266
Current portion of long-term debt	51,297	23,470	74,767	1,392,699
Line of credit	-	-	-	102,470
Intergovernmental payable	1,691,713	-	1,691,713	-
Due to component unit	98,576	39,365	137,941	-
Capital lease payable	2,963	-	2,963	5,985
Accrued prize liability	-	54,752	54,752	-
Salaries, health, disability, and benefits payable	98,225	3,260	101,485	23,782
Tax refunds payable	42,588	-	42,588	-
Deferred revenue	120,457	8,125	128,582	148,136
Accrued liability for compensated absences	76,104	177	76,281	54,292
Securities lending payable	1,414	-	1,414	-
Securities lending collateral	1,673,272	-	1,673,272	452,578
Deposits held in custody for others	-	-	-	30,181
Other current liabilities	1	3,176	3,177	29,836
Total current liabilities	4,197,310	188,907	4,386,217	2,510,678

State of Indiana
Statement of Net Assets
June 30, 2004
(amounts expressed in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Long-term liabilities:				
Accrued liability for compensated absences	\$ 51,602	\$ 123	\$ 51,725	\$ 37,060
Claims payable	-	32,907	32,907	-
Interest payable	15,236	-	15,236	-
Construction retention	1,882	-	1,882	-
Accrued prize liability	-	56,537	56,537	-
Net pension obligations	3,648	-	3,648	-
Due to component unit	50,000	1,446,287	1,496,287	-
Capital lease payable	21,990	-	21,990	93,887
Funds held in trust for others	-	-	-	44,821
Advances from federal government	295	-	295	20,543
Revenue bonds/notes payable	2,260,059	388,460	2,648,519	5,208,887
Other noncurrent liabilities	-	847	847	89,625
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Total long-term liabilities	2,404,712	1,925,161	4,329,873	5,494,823
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Total liabilities	6,602,022	2,114,068	8,716,090	8,005,501
	<hr/>	<hr/>	<hr/>	<hr/>
Net Assets:				
Invested in capital assets net of related debt	9,828,279	68,151	9,896,430	2,525,849
Restricted-nonexpendable:				
Grants/constitutional restrictions	518,597	-	518,597	-
Permanent funds	4,698	-	4,698	-
Instruction and research	-	-	-	96,804
Student aid	-	-	-	91,513
Other purposes	-	-	-	77,909
Total restricted-nonexpendable	523,295	-	523,295	266,226
Restricted-expendable:				
Instruction and research	-	-	-	131,094
Grants/constitutional restrictions	-	-	-	3,400
Future debt service	51,750	50,564	102,314	132,432
Pension fund distribution	-	-	-	3,830
Public safety programs	5,873	-	5,873	-
Transportation programs	-	9,405	9,405	-
Student aid	-	-	-	99,258
Auxiliary enterprises	-	-	-	2,713
Capital projects	-	104,092	104,092	166,244
Unemployment compensation	-	669,630	669,630	-
Other purposes	-	319	319	420,568
Total restricted-expendable	57,623	834,010	891,633	959,539
Unrestricted	1,933,416	727,261	2,660,677	2,036,590
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Total net assets	\$ 12,342,613	\$ 1,629,422	\$ 13,972,035	\$ 5,788,204

The notes to the financial statements are an integral part of this statement.

State of Indiana
Statement of Activities
For the Year Ended June 30, 2004
(amounts expressed in thousands)

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 4,149,762	\$ 287,985	\$ 215,461	\$ 65	\$ (3,646,251)	\$ -	\$ (3,646,251)	\$ -
Public safety	1,211,825	621,619	210,717	13,027	(366,462)	-	(366,462)	-
Health	413,339	19,758	246,348	983	(146,250)	-	(146,250)	-
Welfare	7,039,564	165,544	4,937,494	-	(1,936,526)	-	(1,936,526)	-
Conservation, culture and development	511,773	97,756	217,917	-	(196,100)	-	(196,100)	-
Education	6,360,264	9,627	708,743	-	(5,641,894)	-	(5,641,894)	-
Transportation	1,641,740	3,797	932,534	2	(705,407)	-	(705,407)	-
Unallocated interest expense	94,881	-	-	-	(94,881)	-	(94,881)	-
Other	-	-	-	-	-	-	-	-
Total governmental activities	<u>21,423,148</u>	<u>1,206,086</u>	<u>7,469,214</u>	<u>14,077</u>	<u>(12,733,771)</u>	<u>-</u>	<u>(12,733,771)</u>	<u>-</u>
Business-type activities								
Toll Roads	75,697	92,661	-	-	-	16,964	16,964	-
Aviation Technology Bonds	685	711	-	-	-	26	26	-
Airport Facilities Revenue Bonds	13,036	12,916	-	-	-	(120)	(120)	-
State Revolving Fund	60,990	65,413	-	62,790	-	67,213	67,213	-
Unemployment Compensation Fund	868,940	-	122,200	-	-	(746,740)	(746,740)	-
State Lottery Commission	599,117	734,872	-	-	-	135,755	135,755	-
Other	39,568	30,605	-	-	-	(8,963)	(8,963)	-
Total business-type activities	<u>1,658,033</u>	<u>937,178</u>	<u>122,200</u>	<u>62,790</u>	<u>-</u>	<u>(535,865)</u>	<u>(535,865)</u>	<u>-</u>
Total primary government	<u>\$ 23,081,181</u>	<u>\$ 2,143,264</u>	<u>\$ 7,591,414</u>	<u>\$ 76,867</u>	<u>(12,733,771)</u>	<u>(535,865)</u>	<u>(13,269,636)</u>	<u>-</u>
Component units:								
Governmental and proprietary	390,671	61,914	288,135	-	-	-	-	(40,622)
Colleges and universities	4,258,826	2,093,587	896,796	88,806	-	-	-	(1,179,637)
Total component units	<u>\$ 4,649,497</u>	<u>\$ 2,155,501</u>	<u>\$ 1,184,931</u>	<u>\$ 88,806</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,220,259)</u>
General Revenues:								
Income tax					4,653,807	-	4,653,807	-
Sales tax					4,694,868	-	4,694,868	-
Fuels tax					827,525	-	827,525	-
Gaming tax					780,643	-	780,643	-
Unemployment tax					-	402,222	402,222	-
Inheritance tax					136,382	-	136,382	-
Alcohol & Tobacco tax					357,370	-	357,370	-
Insurance tax					180,705	-	180,705	-
Financial Institutions tax					81,181	-	81,181	-
Other tax					241,543	-	241,543	-
Total taxes					<u>11,954,024</u>	<u>402,222</u>	<u>12,356,246</u>	<u>-</u>
Revenue not restricted to specific programs								
Investment earnings					43,146	43,746	86,892	158,429
Payments from State of Indiana					-	-	-	1,311,462
Other					107,064	3,627	110,691	142,002
Transfers within primary government					<u>135,221</u>	<u>(135,221)</u>	<u>-</u>	<u>-</u>
Total general revenues and transfers					<u>12,239,455</u>	<u>314,374</u>	<u>12,553,829</u>	<u>1,611,893</u>
Changes in net assets					(494,316)	(221,491)	(715,807)	391,634
Net assets - beginning, as restated					<u>12,836,929</u>	<u>1,850,913</u>	<u>14,687,842</u>	<u>5,396,570</u>
Net assets - ending					<u>\$ 12,342,613</u>	<u>\$ 1,629,422</u>	<u>\$ 13,972,035</u>	<u>\$ 5,788,204</u>

The notes to the financial statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS

State of Indiana
Balance Sheet
Governmental Funds
June 30, 2004
(amounts expressed in thousands)

	<u>General Fund</u>	<u>Motor Vehicle Highway Fund</u>	<u>Medicaid Assistance Fund</u>	<u>Build Indiana Fund</u>
Assets:				
Cash, cash equivalents and investments-unrestricted	\$ 1,024,515	\$ -	\$ -	\$ 20,211
Securities lending collateral	1,083,518	-	-	-
Receivables:				
Taxes (net of allowance for uncollectible accounts)	1,166,174	15,530	-	-
Securities lending	871	-	-	-
Accounts	8,929	-	-	-
Grants	4,868	2,098	28,195	-
Interest	1,781	-	-	-
Interfund loans	41,787	-	-	-
Intergovernmental	127,278	-	-	-
Prepaid expenditures	435	1,538	-	-
Loans	34,914	-	-	3,247
	<u>3,495,070</u>	<u>19,166</u>	<u>28,195</u>	<u>23,458</u>
Total assets	<u>\$ 3,495,070</u>	<u>\$ 19,166</u>	<u>\$ 28,195</u>	<u>\$ 23,458</u>
Liabilities:				
Accounts payable	\$ 79,239	\$ 2,017	\$ 49	\$ 294
Salaries and benefits payable	33,784	4,295	-	-
Interfund loans	216	8,651	21,513	-
Interfund services used	2,905	1,148	-	-
Intergovernmental payable	324,990	24,509	-	-
Due to component unit	98,576	-	-	-
Tax refunds payable	40,310	10	-	-
Deferred revenue	586,402	4,942	-	-
Accrued liability for compensated absences-current	2,366	63	-	-
Securities lending payable	871	-	-	-
Securities lending collateral	1,083,518	-	-	-
	<u>2,253,177</u>	<u>45,635</u>	<u>21,562</u>	<u>294</u>
Total liabilities	<u>\$ 2,253,177</u>	<u>\$ 45,635</u>	<u>\$ 21,562</u>	<u>\$ 294</u>
Fund balance:				
Reserved:				
Encumbrances	29,235	5,585	-	1,029
Special purposes	4,868	2,098	28,195	-
Tuition support	290,500	-	-	-
Interfund loans	41,787	-	-	-
Long-term loans and advances	34,547	-	-	3,164
Restricted purposes	-	-	-	-
Unreserved fund balance reported in:				
General fund	840,956	-	-	-
Special revenue funds	-	(34,152)	(21,562)	18,971
Capital projects funds	-	-	-	-
Permanent funds	-	-	-	-
	<u>1,241,893</u>	<u>(26,469)</u>	<u>6,633</u>	<u>23,164</u>
Total fund balance	<u>\$ 1,241,893</u>	<u>\$ (26,469)</u>	<u>\$ 6,633</u>	<u>\$ 23,164</u>
Total liabilities and fund balance	<u>\$ 3,495,070</u>	<u>\$ 19,166</u>	<u>\$ 28,195</u>	<u>\$ 23,458</u>

The notes to the financial statements are an integral part of this statement.

<u>State Highway Department Fund</u>	<u>Property Tax Replacement Fund</u>	<u>Tobacco Settlement Fund</u>	<u>Non-major Governmental Funds</u>	<u>Total</u>
\$ 275,809	\$ -	\$ 238,066	\$ 1,548,260	\$ 3,106,861
3,553	-	59,973	526,229	1,673,273
-	278,132	-	246,468	1,706,304
3	-	52	487	1,413
857	-	-	32,321	42,107
84,961	-	-	83,944	204,066
11	-	54	496	2,342
11,700	-	-	436	53,923
-	-	-	-	127,278
-	-	-	866	2,839
8,215	-	-	350,719	397,095
<u>\$ 385,109</u>	<u>\$ 278,132</u>	<u>\$ 298,145</u>	<u>\$ 2,790,226</u>	<u>\$ 7,317,501</u>
\$ 12,773	\$ -	\$ 828	\$ 151,619	\$ 246,819
8,661	-	41	21,550	68,331
-	-	-	3,633	34,013
483	-	2	2,423	6,961
-	1,291,306	-	50,909	1,691,714
-	-	-	-	98,576
-	-	-	2,267	42,587
592	73,584	-	268,794	934,314
610	-	1	1,681	4,721
3	-	52	487	1,413
3,553	-	59,973	526,229	1,673,273
<u>26,675</u>	<u>1,364,890</u>	<u>60,897</u>	<u>1,029,592</u>	<u>4,802,722</u>
1,024,970	-	5,383	163,711	1,229,913
84,961	-	-	73,935	194,057
-	-	-	-	290,500
11,700	-	-	436	53,923
7,615	-	-	351,872	397,198
-	-	-	2,513	2,513
-	-	-	-	840,956
(770,812)	(1,086,758)	231,865	881,152	(781,296)
-	-	-	86,266	86,266
-	-	-	200,749	200,749
<u>358,434</u>	<u>(1,086,758)</u>	<u>237,248</u>	<u>1,760,634</u>	<u>2,514,779</u>
<u>\$ 385,109</u>	<u>\$ 278,132</u>	<u>\$ 298,145</u>	<u>\$ 2,790,226</u>	<u>\$ 7,317,501</u>

**State of Indiana
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets**

June 30, 2004

(amounts expressed in thousands)

Total fund balances-governmental funds \$ 2,514,779

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	\$	1,101,499	
Infrastructure assets		7,517,416	
Construction in progress		361,266	
Property, plant, and equipment		1,561,427	
Accumulated depreciation		<u>(756,401)</u>	
Total capital assets			9,785,207

The State's pension funds have net pension assets not reported as assets in the funds. 164,254

Recreational Development Commission startup is a noncurrent asset not reported in the funds 500

Some of the state's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds. 981,393

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds. (54,600)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. 189,379

Elimination of internal balance relating to investment in direct financing lease between internal service funds and governmental funds. (1,048,495)

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Accrued liability for compensated absences		(120,831)	
Loan from the Indiana Board for Depositories		(50,000)	
Capital lease payable		(15,325)	
Net pension obligations		<u>(3,648)</u>	
Total long-term liabilities			<u>(189,804)</u>

Net assets of governmental activities \$ 12,342,613

The notes to the financial statements are an integral part of this statement.



State of Indiana
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2004
(amounts expressed in thousands)

	<u>General Fund</u>	<u>Motor Vehicle Highway Fund</u>	<u>Medicaid Assistance Fund</u>	<u>Build Indiana Fund</u>
Revenues:				
Taxes:				
Income	\$ 4,363,143	\$ -	\$ -	\$ -
Sales	2,258,415	-	-	-
Fuels	-	478,387	-	-
Gaming	85,907	-	-	-
Inheritance	136,382	-	-	-
Alcohol and tobacco	299,506	-	-	-
Insurance	177,751	-	-	-
Financial Institutions	-	-	-	-
Other	154,414	-	-	-
Total taxes	<u>7,475,518</u>	<u>478,387</u>	<u>-</u>	<u>-</u>
Current service charges	190,189	18,032	-	-
Investment income	40,444	-	-	-
Sales/rents	1,252	13	-	-
Grants	120,218	17,163	3,252,681	-
Other	105,715	63,820	27	141
	<u>7,933,336</u>	<u>577,415</u>	<u>3,252,708</u>	<u>141</u>
Total revenues				
Expenditures:				
Current:				
General government	941,421	281,998	67	8,050
Public safety	629,864	189,054	-	-
Health	102,565	130	-	-
Welfare	364,587	-	4,627,541	-
Conservation, culture and development	56,922	-	-	1,618
Education	5,526,576	242	-	67
Transportation	3,517	2,492	-	332
	<u>7,625,452</u>	<u>473,916</u>	<u>4,627,608</u>	<u>10,067</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>307,884</u>	<u>103,499</u>	<u>(1,374,900)</u>	<u>(9,926)</u>
Other financing sources (uses):				
Transfers in	2,568,338	252,985	1,546,091	250,264
Transfers (out)	(3,040,735)	(359,428)	(222,569)	(236,212)
Proceeds of loan from component unit	50,000	-	-	-
	<u>(422,397)</u>	<u>(106,443)</u>	<u>1,323,522</u>	<u>14,052</u>
Total other financing sources (uses)				
Net change in fund balances	<u>(114,513)</u>	<u>(2,944)</u>	<u>(51,378)</u>	<u>4,126</u>
Fund Balance July 1, as restated	<u>1,356,406</u>	<u>(23,525)</u>	<u>58,011</u>	<u>19,038</u>
Fund Balance June 30	<u>\$ 1,241,893</u>	<u>\$ (26,469)</u>	<u>\$ 6,633</u>	<u>\$ 23,164</u>

The notes to the financial statements are an integral part of this statement.

<u>State Highway Department Fund</u>	<u>Property Tax Replacement Fund</u>	<u>Tobacco Settlement Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ 127,715	\$ 4,490,858
14	2,334,367	-	85,732	4,678,528
1	-	-	356,344	834,732
-	8,524	-	686,209	780,640
-	-	-	-	136,382
-	-	-	57,891	357,397
-	-	-	2,954	180,705
-	-	-	79,625	79,625
-	-	-	101,843	256,257
15	2,342,891	-	1,498,313	11,795,124
14,514	-	129,852	836,637	1,189,224
72	-	1,670	11,209	53,395
1,870	-	-	27,643	30,778
811,392	-	-	2,878,056	7,079,510
75,226	-	12	222,560	467,501
903,089	2,342,891	131,534	5,474,418	20,615,532
35	2,398,307	25,090	578,798	4,233,766
-	-	-	409,211	1,228,129
-	-	34,431	261,917	399,043
-	-	1,302	2,043,114	7,036,544
-	-	40	443,483	502,063
-	-	-	847,593	6,374,478
1,401,218	-	-	179,308	1,586,867
1,401,253	2,398,307	60,863	4,763,424	21,360,890
(498,164)	(55,416)	70,671	710,994	(745,358)
480,306	1,366,516	708	1,483,021	7,948,229
(5,191)	(1,715,736)	(108,684)	(2,134,757)	(7,823,312)
-	-	-	-	50,000
475,115	(349,220)	(107,976)	(651,736)	174,917
(23,049)	(404,636)	(37,305)	59,258	(570,441)
381,483	(682,122)	274,553	1,701,376	3,085,220
\$ 358,434	\$ (1,086,758)	\$ 237,248	\$ 1,760,634	\$ 2,514,779

State of Indiana
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2004
(amounts expressed in thousands)

Net change in fund balances-total governmental funds	\$ (570,441)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report net capital outlays for infrastructure as expenditures. However in the statement of activities these outlays are capitalized and under the modified approach not depreciated. This is the amount of the net capital outlays for infrastructure under the modified approach in the current period	142,401
Governmental funds treat the loan from the Board of Depositories to the General Fund as an other financing source, but it is not reported on the statement of activities.	(50,000)
Governmental funds report net capital outlays as expenditures. However in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which net capital outlays (\$84,604) exceeds depreciation (\$49,433) in the current period.	35,171
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	175,566
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(245,878)
Internal service funds are used by management to charge the costs of certain activities, such as insurance, data processing, telecommunications, fleet management, and printing, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.	<u>18,865</u>
Change in net assets of governmental activities.	<u>\$ (494,316)</u>

The notes to the financial statements are an integral part of this statement.



State of Indiana
Statement of Fund Net Assets
Proprietary Funds
June 30, 2004
(amounts expressed in thousands)

	Enterprise Funds			
	Toll Roads	Transportation Finance Authority Aviation Technology Bonds	Transportation Finance Authority Airport Facilities Bonds	State Revolving Fund
Assets				
Current assets:				
Cash, cash equivalents and investments - unrestricted	\$ 107,551	\$ 395	\$ 1,236	\$ 660,835
Receivables:				
Accounts	3,882	139	1,805	40,704
Taxes	-	-	-	-
Interest	-	-	1	24,514
Grants	-	-	-	-
Interfund services provided	-	-	-	-
Interfund loans	-	-	-	-
Loans	-	-	-	41,038
Investment in direct financing lease	-	545	9,900	-
Inventory	2,154	-	-	-
Prepaid expenses	1,475	-	-	-
Total current assets	115,062	1,079	12,942	767,091
Noncurrent assets:				
Cash, cash equivalents and investments - restricted	78,763	-	-	539,938
Interest receivable - restricted	-	-	-	-
Loans	-	-	-	856,483
Investment in direct financing lease	-	9,285	183,195	-
Bond issuance costs - net of amortization	1,422	-	-	-
Capital assets:				
Land	28,219	-	-	-
Infrastructure	184,066	-	-	-
Construction in progress	11,283	-	-	-
Property, plant, and equipment	100,258	-	-	-
Less accumulated depreciation	(64,575)	-	-	-
Total capital assets, net of depreciation	259,251	-	-	-
Other assets	-	-	-	11,568
Total noncurrent assets	339,436	9,285	183,195	1,407,989
Total assets	454,498	10,364	196,137	2,175,080
Liabilities				
Current liabilities:				
Accounts payable	7,131	-	24	148
Claims payable	-	-	-	-
Interfund loans	-	-	-	-
Salaries and benefits payable	2,916	-	-	-
Interest payable	4,255	139	1,805	23,441
Capital lease payable	-	-	-	-
Current portion of long-term debt	13,025	545	9,900	-
Accrued prize liability	-	-	-	-
Health/disability benefits payable	-	-	-	-
Accrued liability for compensated absences	-	-	-	-
Interfund services used	-	-	-	-
Due to component unit	-	-	-	39,365
Deferred revenue	-	-	-	-
Other liabilities	-	-	-	431
Total current liabilities	27,327	684	11,729	63,385
Noncurrent liabilities:				
Construction retention	-	-	-	-
Accrued liability for compensated absences	-	-	-	-
Capital lease payable	-	-	-	-
Claim payable	-	-	-	-
Interest payable	-	-	-	-
Due to component unit	-	-	-	1,446,287
Interfund loans	-	-	-	-
Accrued prize liability	-	-	-	-
Amount due federal government	-	-	-	-
Revenue bonds/notes payable	195,980	9,285	183,195	-
Other liabilities	-	-	-	847
Total noncurrent liabilities	195,980	9,285	183,195	1,447,134
Total liabilities	223,307	9,969	194,924	1,510,519
Net assets				
Invested in capital assets net of related debt	51,668	-	-	-
Restricted-expendable:				
Transportation programs	9,405	-	-	-
Future debt service	50,564	-	-	-
Construction	104,092	-	-	-
Unemployment compensation	-	-	-	-
Other purposes	-	319	-	-
Unrestricted	15,462	76	1,213	664,561
Total net assets	\$ 231,191	\$ 395	\$ 1,213	\$ 664,561

The notes to the financial statements are an integral part of this statement.

Enterprise Funds

Unemployment Compensation Fund	State Lottery Commission	Other Enterprise Funds	Total	Internal Service Funds
\$ 652,757	\$ 70,807	\$ 42,069	\$ 1,535,650	\$ 502,943
-	26,192	357	73,079	19,599
29,233	-	-	29,233	-
-	144	445	25,104	235
123	-	-	123	-
-	-	-	-	6,964
-	-	-	-	216
-	-	-	41,038	-
-	-	-	10,445	19,608
-	314	560	3,028	6,610
-	1,235	43	2,753	2,219
682,113	98,692	43,474	1,720,453	558,394
-	66,649	-	685,350	150,769
-	-	-	-	124
-	-	-	856,483	-
-	-	-	192,480	1,028,887
-	-	-	1,422	8,746
-	-	-	28,219	52,126
-	-	496	184,562	-
-	-	21	11,304	46,990
-	16,982	22,822	140,062	985,812
-	(13,020)	(10,818)	(88,413)	(209,282)
-	3,962	12,521	275,734	875,646
-	-	-	11,568	23
-	70,611	12,521	2,023,037	2,064,195
682,113	169,303	55,995	3,743,490	2,622,589
12,483	4,740	527	25,053	15,590
-	-	1,889	1,889	-
-	-	-	-	20,125
-	-	344	3,260	739
-	-	-	29,640	24,919
-	-	-	-	266
-	-	-	23,470	51,297
-	54,752	-	54,752	-
-	-	-	-	27,926
-	-	177	177	1,250
-	-	-	-	3
-	-	-	39,365	-
-	320	7,805	8,125	2,856
-	2,208	537	3,176	1
12,483	62,020	11,279	188,907	144,972
-	-	-	-	1,882
-	-	123	123	904
-	-	-	-	9,362
-	-	32,907	32,907	-
-	-	-	-	15,236
-	-	-	1,446,287	-
-	-	-	-	500
-	56,537	-	56,537	-
-	-	-	-	295
-	-	-	388,460	2,260,059
-	-	-	847	-
-	56,537	33,030	1,925,161	2,288,238
12,483	118,557	44,309	2,114,068	2,433,210
-	3,962	12,521	68,151	43,071
-	-	-	9,405	-
-	-	-	50,564	51,750
-	-	-	104,092	-
669,630	-	-	669,630	-
-	-	-	319	-
-	46,784	(835)	727,261	94,558
\$ 669,630	\$ 50,746	\$ 11,686	\$ 1,629,422	\$ 189,379

State of Indiana
Statement of Revenues, Expenses and
Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2004
(amounts expressed in thousands)

	Enterprise Funds			
	Toll Roads	Transportation Finance Authority Aviation Technology Bonds	Transportation Finance Authority Airport Facilities Bonds	State Revolving Fund
Operating revenues:				
Sales/rents/premiums	\$ 7,025	\$ 711	\$ 12,916	\$ -
Taxes	-	-	-	-
Grants	-	-	-	62,790
Interest income	-	-	-	65,413
Charges for services	-	-	-	-
Toll receipts	85,039	-	-	-
Other	597	-	-	937
	<hr/>	<hr/>	<hr/>	<hr/>
Total operating revenues	92,661	711	12,916	129,140
Cost of sales	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Gross margin	92,661	711	12,916	129,140
	<hr/>	<hr/>	<hr/>	<hr/>
Operating expenses:				
General and administrative expense	57,182	126	112	2,459
Interest expense	-	-	-	57,328
Claims expense	-	-	-	-
Health / disability benefit payments	-	-	-	-
Unemployment compensation benefits	-	-	-	-
Depreciation and amortization	3,094	-	-	1,203
Other	108	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total operating expenses	60,384	126	112	60,990
Operating income (loss)	32,277	585	12,804	68,150
	<hr/>	<hr/>	<hr/>	<hr/>
Nonoperating revenues (expenses):				
Interest and other investment income	1,434	2	35	-
Interest and other investment expense	(15,313)	(559)	(12,924)	-
Capital outlay reimbursement	-	-	-	-
Distributions to component units	-	-	-	-
Gain (Loss) on disposition of assets	-	-	-	-
Other	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total nonoperating revenues (expenses)	(13,879)	(557)	(12,889)	-
Income before contributions and transfers	18,398	28	(85)	68,150
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Change in net assets	18,398	28	(85)	68,150
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets, July 1, as restated	212,793	367	1,298	596,411
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets, June 30	\$ 231,191	\$ 395	\$ 1,213	\$ 664,561

The notes to the financial statements are an integral part of this statement.

Enterprise Funds

Unemployment Compensation Fund	State Lottery Commission	Other Enterprise Funds	Total	Internal Service Funds
\$ -	\$ 734,872	\$ 29,651	\$ 785,175	\$ 456,216
402,222	-	-	402,222	-
122,200	-	-	184,990	-
-	-	-	65,413	-
-	-	-	-	1,487
-	-	830	85,869	-
-	-	124	1,658	232
524,422	734,872	30,605	1,525,327	457,935
-	518,879	3,242	522,121	22,693
524,422	215,993	27,363	1,003,206	435,242
-	16,043	19,972	95,894	88,691
-	-	-	57,328	-
-	-	15,823	15,823	-
-	-	-	-	205,183
868,940	-	-	868,940	-
-	1,661	472	6,430	28,450
-	-	59	167	457
868,940	17,704	36,326	1,044,582	322,781
(344,518)	198,289	(8,963)	(41,376)	112,461
40,542	880	853	43,746	2,493
-	(2,534)	-	(31,330)	(94,881)
-	-	-	-	(11,440)
-	(60,000)	-	(60,000)	-
-	-	-	-	(72)
-	2,690	-	2,690	-
40,542	(58,964)	853	(44,894)	(103,900)
(303,976)	139,325	(8,110)	(86,270)	8,561
-	-	5,125	5,125	19,677
-	(140,346)	-	(140,346)	(9,373)
(303,976)	(1,021)	(2,985)	(221,491)	18,865
973,606	51,767	14,671	1,850,913	170,514
\$ 669,630	\$ 50,746	\$ 11,686	\$ 1,629,422	\$ 189,379

State of Indiana
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2004

(amounts expressed in thousands)

	Enterprise Funds			
	Toll Roads	Transportation Finance Authority Aviation Technology Bonds	Transportation Finance Authority Airport Facilities Bonds	State Revolving Fund
Cash flows from operating activities:				
Cash received from customers	\$ 92,570	\$ 711	\$ 12,916	\$ -
Cash received from federal government	-	-	-	39,942
Payments to ticket winners	-	-	-	-
Cash paid for general and administrative	-	(132)	(102)	(2,669)
Cash paid for salary/health/disability benefit payments	(22,686)	-	-	-
Cash paid to suppliers	(34,045)	-	-	-
Cash paid for claims expense	-	-	-	-
Other operating income	-	-	-	937
Net cash provided (used) by operating activities	<u>35,839</u>	<u>579</u>	<u>12,814</u>	<u>38,210</u>
Cash flows from noncapital financing activities:				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from debt issuance	-	-	-	539,964
Principal payments to reduce indebtedness	-	-	-	(133,634)
Payment of debt issue costs	-	-	-	(3,350)
Interest paid on bonds and note payable	-	-	-	(56,210)
Other	-	-	-	(473)
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>346,297</u>
Cash flows from capital and related financing activities:				
Acquisition/construction of capital assets	(20,507)	-	-	-
Proceeds from sale of assets	-	-	-	-
Proceeds from issuance of notes payable/bonds payable	-	-	-	-
Principal payments -- capital leases	-	-	8,965	-
Principal payments -- bonds/notes	(12,380)	-	(8,965)	-
Repayment of interfund payable	-	-	-	-
Interfund loan	-	-	-	-
Capital contributions	-	-	-	-
Interest paid	(12,862)	(559)	(12,916)	-
Debt issue expense	-	-	-	-
Net cash provided (used) by capital and related financing activities	<u>(45,749)</u>	<u>(559)</u>	<u>(12,916)</u>	<u>-</u>
Cash flows from investing activities:				
Proceeds from sales of investments	6	-	-	165,042
Purchase of investments	(8,338)	-	-	(146,249)
Interest income (expense) on investments	1,422	2	27	65,652
Net cash provided (used) by investing activities	<u>(6,910)</u>	<u>2</u>	<u>27</u>	<u>84,445</u>
Net increase (decrease) in cash and cash equivalents	(16,820)	22	(75)	468,952
Cash and cash equivalents, July 1, as restated	129,996	373	1,311	191,883
Cash and cash equivalents, June 30	<u>\$ 113,176</u>	<u>\$ 395</u>	<u>\$ 1,236</u>	<u>\$ 660,835</u>
Reconciliation of cash, cash equivalents and investments:				
Cash and cash equivalents at end of year	\$ 113,176	\$ 395	\$ 1,236	\$ 660,835
Restricted cash and investments	-	-	-	-
Investments unrestricted	73,138	-	-	539,938
Cash, cash equivalents and investments per balance sheet	<u>\$ 186,314</u>	<u>\$ 395</u>	<u>\$ 1,236</u>	<u>\$ 1,200,773</u>
Noncash investing, capital and financing activities:				
Increase in fair value of investments	\$ -	\$ -	\$ -	\$ -
Acquisition of Capital Assets through Capital Leases	-	-	-	-

Enterprise Funds

Unemployment Compensation Fund	State Lottery Commission	Other Enterprise Funds	Total	Internal Service Funds
\$ 395,723	\$ 738,938	\$ 32,126	\$ 1,272,984	\$ 456,376
122,077	-	-	162,019	9
-	(427,545)	-	(427,545)	-
-	-	(18,360)	(21,263)	(87,206)
-	(12,635)	(464)	(35,785)	(198,814)
-	(86,541)	(3,334)	(123,920)	(22,694)
(873,960)	-	(2,528)	(876,488)	-
-	-	-	937	-
<u>(356,160)</u>	<u>212,217</u>	<u>7,440</u>	<u>(49,061)</u>	<u>147,671</u>
-	-	-	-	19,677
-	(200,346)	-	(200,346)	(9,373)
-	-	-	539,964	-
-	-	-	(133,634)	-
-	-	-	(3,350)	-
-	-	-	(56,210)	-
-	3,743	-	3,270	-
-	(196,603)	-	149,694	10,304
-	(934)	(3,850)	(25,291)	(454,434)
-	48	-	48	172,294
-	-	-	-	1,162,417
-	-	-	8,965	(581)
-	-	(391)	(21,736)	(599,200)
-	-	-	-	(1,768)
-	-	-	-	7,800
-	-	5,124	5,124	-
-	-	-	(26,337)	(96,513)
-	-	-	-	(4,835)
-	(886)	883	(59,227)	185,180
-	-	21,611	186,659	490,072
-	350	(31,806)	(186,043)	(476,645)
40,542	838	1,387	109,870	2,431
40,542	1,188	(8,808)	110,486	15,858
(315,618)	15,916	(485)	151,892	359,013
968,375	42,977	10,072	1,344,987	140,208
\$ 652,757	\$ 58,893	\$ 9,587	\$ 1,496,879	\$ 499,221
\$ 652,757	\$ 58,893	\$ 9,587	\$ 1,496,879	\$ 499,221
-	-	-	-	150,691
-	11,914	32,482	657,472	3,800
\$ 652,757	\$ 70,807	\$ 42,069	\$ 2,154,351	\$ 653,712
\$ -	\$ -	\$ (196)	\$ (196)	\$ -
-	-	-	-	626

State of Indiana
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended
June 30, 2004

(amounts expressed in thousands)

	Enterprise Funds			
	Toll Roads	Transportation Finance Authority Aviation Technology Bonds	Transportation Finance Authority Airport Facilities Bonds	State Revolving Fund
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 32,277	\$ 585	\$ 12,804	\$ 68,150
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation/amortization expense	3,094	-	-	1,204
(Gain)/loss on sale of fixed assets	-	-	-	-
Other provisions	-	-	-	-
(Increase) decrease in receivables	(92)	-	-	(30,933)
(Increase) decrease in interfund services provided	-	-	-	-
(Increase) decrease in inventory	(110)	-	-	-
(Increase) decrease in prepaid expenses	(325)	-	-	-
Increase (decrease) in accrued prize liability	-	-	-	-
Increase (decrease) in benefits payable	-	-	-	-
Increase (decrease) in accounts payable	513	(6)	10	(211)
Increase (decrease) in deferred revenue	-	-	-	-
Increase (decrease) in salaries payable	482	-	-	-
Increase (decrease) in compensated absences	-	-	-	-
Increase (decrease) in other payables	-	-	-	-
Net cash provided (used) by operating activities	\$ 35,839	\$ 579	\$ 12,814	\$ 38,210

The notes to the financial statements are an integral part of this statement.

Enterprise Funds				
Unemployment Compensation Fund	State Lottery Commission	Other Enterprise Funds	Total	Internal Service Funds
\$ (344,518)	\$ 198,289	\$ (8,963)	\$ (41,376)	\$ 112,461
-	1,661	472	6,431	28,450
-	(41)	-	(41)	-
-	402	-	402	16
(6,622)	4,579	(301)	(33,369)	(21,880)
-	-	-	-	1,904
-	327	(45)	172	(639)
-	(360)	6	(679)	898
-	8,967	-	8,967	-
-	-	-	-	6,368
(5,020)	(1,362)	149	(5,927)	22,997
-	(855)	1,822	967	(2,540)
-	-	40	522	(548)
-	-	23	23	183
-	610	(193)	417	1
\$ (356,160)	\$ 212,217	\$ 7,440	\$ (49,061)	\$ 147,671

State of Indiana
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2004

(amounts expressed in thousands)

	Pension (and Other Employee Benefit) Trust Funds	Private-Purpose Trust Funds	Agency Funds
Assets:			
Cash, cash equivalents and investments	\$ 20,393,517	\$ 49,231	\$ 461,050
Securities lending collateral	3,088,341	7,741	-
Receivables:			
Taxes	-	-	7,251
Contributions	163,048	-	-
Interest	30,001	5	-
Securities lending	-	5	-
Member loans	8,532	-	-
Due from other funds	17,363	-	-
Due from component unit	17,709	-	-
From investment sales	1,136,533	-	-
Other	-	-	56
Other assets	-	-	320,954
Property, plant and equipment net of accumulated depreciation	79	-	-
Total assets	24,855,123	56,982	\$ 789,311
Liabilities:			
Accounts/escrows payable	9,891	3,634	744,856
Securities purchased payable	1,730,901	-	-
Salaries and benefits payable	277	-	-
Due to other funds	17,363	-	-
Securities lending payable	-	5	-
Due to component unit	17,709	-	-
Compensated absences	602	-	-
Securities lending collateral	3,088,341	7,741	-
Death benefits payable	300	-	-
Other	246	-	44,455
Total liabilities	4,865,630	11,380	\$ 789,311
Net assets:			
Held in trust for:			
Employees' post-employment benefits	19,989,493	-	
Trust beneficiaries	-	45,602	
Total net assets	\$ 19,989,493	\$ 45,602	

The notes to the financial statements are an integral part of this statement.

State of Indiana
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2004

(amounts expressed in thousands)

	Pension (and Other Employee Benefit) Trust Funds	Private-Purpose Trust Funds
Additions:		
Member contributions	\$ 343,462	\$ 57,842
Employer contributions	797,466	-
Contributions from the State of Indiana	61,717	-
Net investment income (loss)	2,560,797	400
Less investment expense	(68,193)	-
Donations/escheats	-	106,701
Transfers in	5,145	-
Other	1,649	-
Total additions	3,702,043	164,943
Deductions:		
Pension benefits	1,082,946	-
Disability and other benefits	10,712	-
Payments to participants/beneficiaries	-	150,092
Refunds of contributions and interest	71,320	-
General government	-	39
Administrative	21,690	-
Pension relief distributions	103,463	-
Capital projects	2,600	-
Depreciation	26	-
Transfers out	5,145	-
Other	6,026	-
Total deductions	1,303,928	150,131
Net increase (decrease) in net assets	2,398,115	14,812
Net assets held in trust, July 1, as restated	17,591,378	30,790
Net assets held in trust, June 30	\$ 19,989,493	\$ 45,602

The notes to the financial statements are an integral part of this statement.

State of Indiana
Combining Statement of Net Assets
Discretely Presented Component Units
June 30, 2004
(amounts expressed in thousands)

	Governmental and Proprietary	Colleges and Universities	Total
Assets:			
Current assets:			
Cash, cash equivalents and investments	\$ 359,551	\$ 730,829	\$ 1,090,380
Securities lending collateral	134,957	317,621	452,578
Receivables (net)	56,139	243,739	299,878
Inventory	-	31,016	31,016
Prepaid expenses	-	12,255	12,255
Loans	5,520	-	5,520
Intergovernmental loans	1,180,140	-	1,180,140
Due from primary government	39,365	98,576	137,941
Funds held in trust by others	-	66,139	66,139
Other current assets	2,487	21,213	23,700
Total current assets	1,778,159	1,521,388	3,299,547
Noncurrent assets:			
Cash, cash equivalents and investments - restricted	446,892	1,316,695	1,763,587
Taxes, interest, and penalties receivable	3,998	-	3,998
Other receivables	1,042,637	150,390	1,193,027
Investments - unrestricted	98,525	748,406	846,931
Bond issuance costs net of amortization	39,772	-	39,772
Intergovernmental loans	1,187,269	-	1,187,269
Due from primary government	1,496,287	-	1,496,287
Other noncurrent assets	2,396	11,558	13,954
Capital assets:			
Land	-	149,718	149,718
Infrastructure	-	229,984	229,984
Construction in progress	-	339,796	339,796
Property, plant, and equipment	2,137	5,950,375	5,952,512
Less accumulated depreciation	(1,979)	(2,720,698)	(2,722,677)
Capital assets, net of accumulated depreciation	158	3,949,175	3,949,333
Total noncurrent assets	4,317,934	6,176,224	10,494,158
Total assets	6,096,093	7,697,612	13,793,705
Liabilities:			
Current liabilities:			
Accounts payable	2,680	214,773	217,453
Interest payable	51,881	1,385	53,266
Current portion of long-term debt	1,296,092	96,607	1,392,699
Line of credit	102,470	-	102,470
Capital lease payable	-	5,985	5,985
Salaries, health, disability, and benefits payable	-	23,782	23,782
Deferred revenue	-	148,136	148,136
Accrued liability for compensated absences	-	54,292	54,292
Securities lending collateral	134,957	317,621	452,578
Deposits held in custody for others	724	29,457	30,181
Other current liabilities	470	29,366	29,836
Total current liabilities	1,589,274	921,404	2,510,678
Long-term liabilities:			
Accrued liability for compensated absences	-	37,060	37,060
Capital lease payable	-	93,887	93,887
Funds held in trust for others	-	44,821	44,821
Advances from federal government	-	20,543	20,543
Revenue bonds/notes payable	3,880,133	1,328,754	5,208,887
Other noncurrent liabilities	2,912	86,713	89,625
Total long-term liabilities	3,883,045	1,611,778	5,494,823
Total liabilities	5,472,319	2,533,182	8,005,501
Net Assets:			
Invested in capital assets net of related debt	158	2,525,691	2,525,849
Restricted-nonexpendable:			
Instruction and research	-	96,804	96,804
Student aid	-	91,513	91,513
Other purposes	-	77,909	77,909
Total restricted-nonexpendable	-	266,226	266,226
Restricted-expendable:			
Instruction and research	-	131,094	131,094
Grants/constitutional restrictions	3,400	-	3,400
Future debt service	132,432	-	132,432
Pension fund distribution	3,830	-	3,830
Student aid	-	99,258	99,258
Auxiliary enterprises	-	2,713	2,713
Capital projects	-	166,244	166,244
Other purposes	-	420,568	420,568
Total restricted-expendable	139,662	819,877	959,539
Unrestricted	483,954	1,552,636	2,036,590
Total net assets	\$ 623,774	\$ 5,164,430	\$ 5,788,204

The notes to the financial statements are an integral part of this statement.

**State of Indiana
Combining Statement of Activities
Discretely Presented Component Units
For the Fiscal Year Ended June 30, 2004
(amounts expressed in thousands)**

	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental and Proprietary</u>	<u>Colleges and Universities</u>	<u>Net (Expense) Revenue</u>
Governmental and proprietary	\$ 390,671	\$ 61,914	\$ 288,135	\$ -	(40,622)	-	(40,622)
Colleges and universities	4,258,826	2,093,587	896,796	88,806	-	(1,179,637)	(1,179,637)
Total component units	<u>\$ 4,649,497</u>	<u>\$ 2,155,501</u>	<u>\$ 1,184,931</u>	<u>\$ 88,806</u>	<u>(40,622)</u>	<u>(1,179,637)</u>	<u>(1,220,259)</u>
General Revenues:							
					14,597	143,832	158,429
					22,317	1,289,145	1,311,462
					112	141,890	142,002
					<u>37,026</u>	<u>1,574,867</u>	<u>1,611,893</u>
					(3,596)	395,230	391,634
					627,370	4,769,200	5,396,570
					<u>\$ 623,774</u>	<u>\$ 5,164,430</u>	<u>\$ 5,788,204</u>

The notes to the financial statements are an integral part of this statement.

State of Indiana
Combining Statement of Net Assets
Discretely Presented Component Units -
Governmental and Proprietary Funds
June 30, 2004

(amounts expressed in thousands)

	Governmental	Proprietary			Total Component Units
	Indiana Development Finance Authority	Indiana Bond Bank	Indiana Housing Finance Authority	Non-Major Component Units	
Assets					
Current assets:					
Cash, cash equivalents and investments	\$ 45,026	\$ 36,817	\$ 54,232	\$ 223,476	\$ 359,551
Securities lending collateral	-	-	-	134,957	134,957
Receivables (net)	295	44,738	341	10,765	56,139
Loans	5,520	-	-	-	5,520
Intergovernmental loans	-	1,180,140	-	-	1,180,140
Due from primary government	-	39,365	-	-	39,365
Other current assets	-	-	1,340	1,147	2,487
Total current assets	50,841	1,301,060	55,913	370,345	1,778,159
Noncurrent assets:					
Cash, cash equivalents and investments - restricted	-	74,536	372,356	-	446,892
Taxes, interest, and penalties receivable	-	-	3,998	-	3,998
Other receivables	-	-	744,818	297,819	1,042,637
Investments - unrestricted	-	-	-	98,525	98,525
Bond issuance costs, net of amortization	-	30,889	8,883	-	39,772
Intergovernmental loans	-	1,187,269	-	-	1,187,269
Due from primary government	-	1,446,287	-	50,000	1,496,287
Other noncurrent assets	-	-	498	1,898	2,396
Capital assets:					
Property, plant, and equipment	-	97	1,557	483	2,137
Less accumulated depreciation	-	(77)	(1,466)	(436)	(1,979)
Total capital assets, net of depreciation	-	20	91	47	158
Total noncurrent assets	-	2,739,001	1,130,644	448,289	4,317,934
Total assets	50,841	4,040,061	1,186,557	818,634	6,096,093
Liabilities					
Current liabilities:					
Accounts payable	98	615	921	1,046	2,680
Interest payable	-	51,288	254	339	51,881
Current portion of long-term debt	-	1,283,286	12,806	-	1,296,092
Line of credit	-	-	53,670	48,800	102,470
Securities lending collateral	-	-	-	134,957	134,957
Deposits held in custody for others	-	-	724	-	724
Other current liabilities	465	-	-	5	470
Total current liabilities	563	1,335,189	68,375	185,147	1,589,274
Long-term liabilities:					
Revenue bonds/notes payable	-	2,692,705	926,628	260,800	3,880,133
Other noncurrent liabilities	-	597	1,165	1,150	2,912
Total long-term liabilities	-	2,693,302	927,793	261,950	3,883,045
Total liabilities	563	4,028,491	996,168	447,097	5,472,319
Net assets					
Invested in capital assets net of related debt	-	20	91	47	158
Restricted-expendable					
Grants/constitutional restrictions	-	-	3,400	-	3,400
Future debt service	-	1,125	130,157	1,150	132,432
Pension fund distribution	-	-	-	3,830	3,830
Total restricted-expendable	-	1,125	133,557	4,980	139,662
Unrestricted (deficit)	50,278	10,425	56,741	366,510	483,954
Total net assets	\$ 50,278	\$ 11,570	\$ 190,389	\$ 371,537	\$ 623,774

The notes to the financial statements are an integral part of this statement.

State of Indiana
Combining Statement of Activities
Discretely Presented Component Units -
Governmental and Proprietary Funds
For the Fiscal Year Ended June 30, 2004
(amounts expressed in thousands)

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets				
	Expenses	Charges for Services	Operating Grants and Contributions	Indiana Development Finance Authority	Indiana Bond Bank	Indiana Housing Finance Authority	Non-Major Component Units	Net (Expense) Revenue
Indiana Development Finance Authority	\$ 23,920	\$ 695	\$ -	(23,225)	-	-	-	(23,225)
Indiana Bond Bank	123,817	693	121,924	-	(1,200)	-	-	(1,200)
Indiana Housing Finance Authority	223,041	60,526	140,135	-	-	(22,380)	-	(22,380)
Non-Major Component Units	19,893	-	26,076	-	-	-	6,183	6,183
Total component units	\$ 390,671	\$ 61,914	\$ 288,135	(23,225)	(1,200)	(22,380)	6,183	(40,622)
General revenues:								
Investment earnings				553	360	13,684	-	14,597
Payments from State of Indiana				22,317	-	-	-	22,317
Other				-	-	112	-	112
Total general revenues				22,870	360	13,796	-	37,026
Change in net assets				(355)	(840)	(8,584)	6,183	(3,596)
Net assets - beginning				50,633	12,410	198,973	365,354	627,370
Net assets - ending				\$ 50,278	\$ 11,570	\$ 190,389	\$ 371,537	\$ 623,774

The notes to the financial statements are an integral part of this statement.

State of Indiana
Combining Statement of Net Assets
Discretely Presented Component Units -
Colleges and Universities
June 30, 2004

(amounts expressed in thousands)

	Indiana University	Purdue University	Non-Major Colleges and Universities	Totals
Assets				
Current assets:				
Cash, cash equivalents and investments	\$ 238,913	\$ 258,350	\$ 233,566	\$ 730,829
Securities lending collateral	87,923	229,698	-	317,621
Receivables (net)	107,358	75,700	60,681	243,739
Inventory	15,748	6,018	9,250	31,016
Prepaid expenses	-	2,681	9,574	12,255
Due from primary government	38,985	27,211	32,380	98,576
Funds held in trust by others	-	205	65,934	66,139
Other current assets	8,281	11,353	1,579	21,213
Total current assets	497,208	611,216	412,964	1,521,388
Noncurrent assets:				
Cash, cash equivalents and investments - restricted	-	1,316,242	453	1,316,695
Other receivables	66,807	68,135	15,448	150,390
Investments - unrestricted	536,024	16,971	195,411	748,406
Other noncurrent assets	-	-	11,558	11,558
Capital assets:				
Land	46,429	21,492	81,797	149,718
Infrastructure	133,719	36,781	59,484	229,984
Construction in progress	167,256	120,133	52,407	339,796
Property, plant, and equipment	2,580,869	1,837,816	1,531,690	5,950,375
Less accumulated depreciation	(1,221,112)	(848,359)	(651,227)	(2,720,698)
Total capital assets, net of depreciation	1,707,161	1,167,863	1,074,151	3,949,175
Total noncurrent assets	2,309,992	2,569,211	1,297,021	6,176,224
Total assets	2,807,200	3,180,427	1,709,985	7,697,612
Liabilities				
Current liabilities:				
Accounts payable	144,480	39,084	31,209	214,773
Interest payable	-	-	1,385	1,385
Current portion of long-term debt	42,965	25,728	27,914	96,607
Capital lease payable	2,190	3,795	-	5,985
Salaries, health, disability, and benefits payable	-	8,060	15,722	23,782
Deferred revenue	87,531	37,135	23,470	148,136
Accrued liability for compensated absences	28,140	20,101	6,051	54,292
Securities lending collateral	87,923	229,698	-	317,621
Deposits held in custody for others	-	19,782	9,675	29,457
Other current liabilities	-	24,490	4,876	29,366
Total current liabilities	393,229	407,873	120,302	921,404
Long-term liabilities:				
Accrued liability for compensated absences	10,329	15,712	11,019	37,060
Capital lease payable	11,757	82,130	-	93,887
Funds held in trust for others	35,171	9,650	-	44,821
Advances from federal government	-	20,543	-	20,543
Revenue bonds/notes payable	507,922	396,585	424,247	1,328,754
Other noncurrent liabilities	73,269	12,456	988	86,713
Total long-term liabilities	638,448	537,076	436,254	1,611,778
Total liabilities	1,031,677	944,949	556,556	2,533,182
Net assets				
Invested in capital assets net of related debt	1,168,783	697,257	659,651	2,525,691
Restricted-nonexpendable				
Instruction and research	-	96,804	-	96,804
Student aid	-	87,364	4,149	91,513
Other purposes	56,973	20,936	-	77,909
Total restricted-nonexpendable	56,973	205,104	4,149	266,226
Restricted-expendable				
Instruction and research	53,106	77,446	542	131,094
Student aid	17,940	57,911	23,407	99,258
Auxiliary enterprises	-	2,713	-	2,713
Capital projects	9,476	99,389	57,379	166,244
Other purposes	19,179	386,781	14,608	420,568
Total restricted-expendable	99,701	624,240	95,936	819,877
Unrestricted (deficit)	450,066	708,877	393,693	1,552,636
Total net assets	\$ 1,775,523	\$ 2,235,478	\$ 1,153,429	\$ 5,164,430

The notes to the financial statements are an integral part of this statement.

**State of Indiana
Combining Statement of Activities
Discretely Presented Component Units -
Colleges and Universities
For the Fiscal Year Ended June 30, 2004**
(amounts expressed in thousands)

	<u>Program Revenues</u>				<u>Net (Expense) Revenue and Changes in Net Assets</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Indiana University</u>	<u>Purdue University</u>	<u>Non-Major Colleges and Universities</u>	<u>Net (Expense) Revenue</u>
Indiana University	\$ 1,995,358	\$ 1,089,578	\$ 404,542	\$ 17,859	(483,379)	-	-	(483,379)
Purdue University	1,277,467	617,994	265,913	66,540	-	(327,020)	-	(327,020)
Non-Major Colleges and Universities	986,001	386,015	226,341	4,407	-	-	(369,238)	(369,238)
Total component units	<u>\$ 4,258,826</u>	<u>\$ 2,093,587</u>	<u>\$ 896,796</u>	<u>\$ 88,806</u>	<u>(483,379)</u>	<u>(327,020)</u>	<u>(369,238)</u>	<u>(1,179,637)</u>
General revenues:								
Investment earnings					30,123	106,554	7,155	143,832
Payments from State of Indiana					516,469	355,042	417,634	1,289,145
Other					51,255	85,852	4,783	141,890
Total general revenues					<u>597,847</u>	<u>547,448</u>	<u>429,572</u>	<u>1,574,867</u>
Change in net assets					114,468	220,428	60,334	395,230
Net assets - beginning, as restated					1,661,055	2,015,050	1,093,095	4,769,200
Net assets - ending					<u>\$ 1,775,523</u>	<u>\$ 2,235,478</u>	<u>\$ 1,153,429</u>	<u>\$ 5,164,430</u>

The notes to the financial statements are an integral part of this statement.

